

The SPEAKER pro tempore [Mr. KINGSTON]. The question is on the motion offered by the gentleman from California [Mr. GALLEGLY] that the House suspend the rules and pass the bill, H.R. 1836, as amended.

The question was taken.

Mr. CUMMINGS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

#### GENERAL LEAVE

Mr. MICA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1836, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

#### FEDERAL EMPLOYEES LIFE INSURANCE IMPROVEMENT ACT

Mr. MICA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2675) to require that the Office of Personnel Management submit proposed legislation under which group universal life insurance and group variable universal life insurance would be available under chapter 87 of title 5, United States Code, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2675

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

##### SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Employees Life Insurance Improvement Act".

##### SEC. 2. REQUIREMENT THAT A LEGISLATIVE PROPOSAL BE SUBMITTED.

(a) IN GENERAL.—Within 6 months after the date of enactment of this Act, the Office of Personnel Management shall submit to Congress proposed legislation under which there would be made available to Federal employees and annuitants the following:

- (1) Group universal life insurance.
- (2) Group variable universal life insurance.
- (3) Additional voluntary accidental death and dismemberment insurance.

The proposal shall indicate whether any such insurance could be taken in addition to, in lieu of, or in combination with any insurance otherwise offered under chapter 87 of title 5, United States Code.

(b) DESCRIPTION OF POLICIES AND COSTS.—The proposed legislation shall be accompanied by a report which shall include a concise description of the policies proposed, an estimate of the cost to the Government anticipated with respect to each of those policies, and any other information which the Office of Personnel Management may consider appropriate.

##### SEC. 3. UNREDUCED ADDITIONAL OPTIONAL LIFE INSURANCE.

(a) IN GENERAL.—Section 8714b of title 5, United States Code, is amended—

(1) in subsection (c)—

(A) by striking the last 2 sentences of paragraph (2); and

(B) by adding at the end the following:

"(3) The amount of additional optional insurance continued under paragraph (2) shall be continued, with or without reduction, in accordance with the employee's written election at the time eligibility to continue insurance during retirement or receipt of compensation arises, as follows:

"(A) The employee may elect to have withholdings cease in accordance with subsection (d), in which case—

"(i) the amount of additional optional insurance continued under paragraph (2) shall be reduced each month by 2 percent effective at the beginning of the second calendar month after the date the employee becomes 65 years of age and is retired or is in receipt of compensation; and

"(ii) the reduction under clause (i) shall continue for 50 months at which time the insurance shall stop.

"(B) The employee may, instead of the option under subparagraph (A), elect to have the full cost of additional optional insurance continue to be withheld from such employee's annuity or compensation on and after the date such withholdings would otherwise cease pursuant to an election under subparagraph (A), in which case the amount of additional optional insurance continued under paragraph (2) shall not be reduced, subject to paragraph (4).

"(C) An employee who does not make any election under the preceding provisions of this paragraph shall be treated as if such employee had made an election under subparagraph (A).

"(4) If an employee makes an election under paragraph (3)(B), that individual may subsequently cancel such election, in which case additional optional insurance shall be determined as if the individual had originally made an election under paragraph (3)(A)."; and

(2) in the second sentence of subsection (d)(1) by inserting "if insurance is continued as provided in subparagraph (A) of paragraph (3)," after "except that,".

(b) TECHNICAL AMENDMENT.—The last sentence of section 8714b(d)(1) of title 5, United States Code, is amended by inserting "(and any amounts withheld as provided in subsection (c)(3)(B))" after "Amounts so withheld".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the 120th day after the date of enactment of this Act and shall apply with respect to employees who become eligible, on or after such 120th day, to continue additional optional insurance during retirement or receipt of compensation.

##### SEC. 4. IMPROVED OPTIONAL LIFE INSURANCE ON FAMILY MEMBERS.

(a) IN GENERAL.—Subsection (b) of section 8714c of title 5, United States Code, is amended to read as follows:

"(b) The optional life insurance on family members provided under this section shall be made available to each eligible employee who has elected coverage under this section, under conditions the Office shall prescribe, in multiples, at the employee's election, of 1, 2, 3, 4, or 5 times—

"(1) \$5,000 for a spouse; and

"(2) \$2,500 for each child described in section 8701(d).

An employee may reduce or stop coverage elected pursuant to this section at any time."

(b) TECHNICAL AND CONFORMING AMENDMENTS.—Section 8714c of title 5, United States Code, is amended—

(1) in subsection (c)(2) by striking "section 8714b(c)(2) of this title" and inserting "section 8714b(c)(2)-(4)"; and

(2) in subsection (d)(1) by inserting before the last sentence the following: "Notwithstanding the preceding sentence, the full cost shall be continued after the calendar month in which the former employee becomes 65 years of age if, and for so long as, an election under this section corresponding to that described in section 8714b(c)(3)(B) remains in effect with respect to such former employee."

(c) EFFECTIVE DATE; OPEN ENROLLMENT PERIOD.—

(1) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the first pay period which begins on or after the 180th day following the date of enactment of this Act or on any earlier date that the Office of Personnel Management may prescribe.

(2) OPEN ENROLLMENT PERIOD.—

(A) IN GENERAL.—Before the effective date under paragraph (1), the Office shall afford eligible employees a reasonable opportunity to elect to begin coverage under section 8714c of title 5, United States Code (as amended by this section), or to increase any existing optional life insurance on family members to any amount allowable under such section (as so amended), beginning on such effective date.

(B) DEFINITION OF AN ELIGIBLE EMPLOYEE.—For purposes of subparagraph (A), the term "eligible employee" means any employee (within the meaning of section 8701 of title 5, United States Code) covered by group life insurance under section 8704(a) of such title.

□ 1530

The SPEAKER pro tempore (Mr. KINGSTON). Pursuant to the rule, the gentleman from Florida [Mr. MICA] and the gentleman from Maryland [Mr. CUMMINGS], each will control 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. MICA].

Mr. MICA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill before the House today, entitled the Federal Employees Life Insurance Improvement Act, is in fact a bipartisan effort. It incorporates the provisions of the bill which I originally introduced and amendments offered by the distinguished gentleman from Maryland [Mr. CUMMINGS], the ranking member of our Subcommittee on Civil Service.

I thank the gentleman from Maryland for his hard work on this legislation and also for his close cooperation on putting this legislation together.

The bill also addresses an issue first brought to our attention by the distinguished gentlewoman from Maryland [Mrs. MORELLA], and I also want to commend her for her interest and contributions to this bill.

Mr. Speaker, employer-provided benefit packages are in fact critical elements of employee compensation in our society today. If the Federal Government is to deliver the quality of services our overburdened taxpayers deserve, it must be competitive with the private sector to attract and to maintain a quality work force. Benefits must provide good value to Federal employees.

Mr. Speaker, earlier this year I held an oversight hearing on the Federal Employees Government Life Insurance

program. I called that hearing because I was concerned that the current program does not deliver the value Federal Government employees deserve. It has been in fact too many years since key parts of the life insurance program have been improved or in fact reviewed.

More importantly, Congress has not even looked at the fundamental structure of the program since 1954. For 43 years, Mr. Speaker, the program has been based on term life insurance. For the first time in 43 years, this bill would introduce a life insurance option other than term insurance for our Federal employees.

Many things have changed between 1954 and today, Mr. Speaker. Life insurance products are no exception. As usual, the private sector has led the way. The Federal Government must learn from the private sector. We must adopt benefit practices from the private sector that have adjusted to the dynamic, ever-shifting market environments.

At our hearing, the Subcommittee on Civil Service heard from interested private sector insurance experts. We also heard from Met Life, which has been the sole provider of life insurance under the program since 1954. All of these experts agreed that it is time for major improvements in the Federal Government's life insurance program. All of these experts agreed that, at the very least, Congress should increase coverages that are currently available. All of these experts agreed that Congress should consider providing a new option to employees, group universal life insurance.

In a nutshell, Mr. Speaker, group universal life is a very flexible plan that permits employees to accumulate cash benefits for use in later years for various family needs or for their retirement. It has been gaining popularity in the private sector because it offers these many advantages.

Insurance planning is important to many of our employees. Employees want and need to protect their families from financial hardship. Life insurance is an important component of that protection. My colleagues on the subcommittee agreed that our Federal employees in fact need more flexibility to tailor insurance coverage to their own needs. To better protect their families, Federal employees would be able to choose from options that are increasingly available to employees in the private sector such as group universal life.

This bill does just that. It directs the Office of Personnel Management to present to Congress legislation offering our Federal employees group universal life insurance, group variable life insurance, and additional voluntary accidental and dismemberment insurance policies. In addition, Mr. Speaker, this bill permits employees to increase insurance coverage of family members and to maintain more adequate levels of coverage on themselves throughout their retirement years.

Mr. Speaker, the hallmarks of this legislation are family protection, employee choice, and flexibility. Federal employees and their families will enjoy more options as they plan for their financial security. It is an important bill. It is important to our Federal employees. It is the first major improvement in life insurance benefits for our Federal employees in 16 years. It is the first time in 43 years that an alternative to term insurance is incorporated for the benefit of our Federal employees.

I urge all Members to support this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. CUMMINGS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am very pleased that the gentleman from Florida, Mr. MICA, and I, along with all the other members of the Subcommittee on Civil Service were able to work together to develop this legislation which will implement some of the excellent recommendations we received from witnesses at our oversight hearing on the Federal Employees Group Life Insurance program, known as FEGLI. This bill will result in far better life insurance coverage being made available to Federal employees.

By directing OPM to provide us with draft legislative proposals for group universal life, group variable life, and accidental death and dismemberment insurance coverage within 6 months, our subcommittee will be in a far better position to act expeditiously should OPM's upcoming employee survey document that there is substantial interest in purchasing these options.

By giving enrollees the opportunity to continue the full extent of their life insurance coverage after they reach age 65, we will be providing a measure of comfort and convenience to many who would still have a desire to provide for the security of their loved ones. They will no longer have to seek out a new insurance company from which to purchase life insurance, something often very difficult and expensive to do at the late stage in life, at age 65.

I offered an amendment to H.R. 2675 during our subcommittee's markup of the bill which added a provision that would enable enrollees to purchase an increased amount of insurance coverage for their spouse and dependent children. Through the cooperation of Mr. MICA and all the Members on both sides of the aisle, we were able to successfully pass this amendment.

Clearly, the present levels of coverage available, \$5,000 for one spouse and \$2,500 for each child, is very inadequate. It neither compensates for the loss nor covers average burial expenses. The bill makes it possible to obtain coverage up to five times the current limits. The fact is that by doing what we have been able to do, I think it makes a very, very significant difference and it says to our Federal employees that we do care very much about them and their loved ones.

To the gentleman from Florida, I express my appreciation, and to all the members of the committee, because it is a fact that we did work together in a bipartisan manner, and if we can continue to do that throughout this House, I think that we will see a lot of great legislation coming forward such as this legislation.

Mr. Speaker, once again I believe that we have a good bipartisan bill before us. I strongly urge all Members to give their support. This is a very good piece of legislation. It does in fact lift up our Federal employees and make their lives better and the lives of their families. I urge all Members of the House to support this legislation.

Mr. Speaker, I yield back the balance of my time.

Mr. MICA. Mr. Speaker, I yield myself such time as I may consume.

The Federal Employees Life Insurance Improvement Act will provide valuable benefits to our Federal workers and their families. For the first time since 1954, Federal employees will have the opportunity to consider something other than term insurance as a plan for their family's financial future and security. They will be able to carry more insurance on themselves into retirement, I believe at very reasonable and competitive costs, and they will be able to increase the coverage for their dependents. This also will provide substantial benefits for our Federal retirees, who sometimes are lost without insurance coverage or see decreasing or diminishing value of their insurance coverage.

Finally, Mr. Speaker, I wish to thank both the Majority and Minority staff for their fine work on this legislation and for their efforts not only on this bill but also on the previous legislation which passed today.

I wish to also thank Members and staff for their work on the Subcommittee on Civil Service. In the 103d Congress, I might add, for the record, there were 54 staff that handled Civil Service issues in a number of subcommittees. We have operated with one subcommittee and seven professional staffers on both sides of the aisle total, and worked on numerous pieces of legislation, including the two presented here today and nearly all the appropriations measures and other legislation to come before the House.

I want to thank each of the staff members, members of my subcommittee, for their diligent participation and productive session as this may be the final bill we offer.

This legislation, in fact, Mr. Speaker, as I mentioned earlier, is bipartisan legislation. There is no controversy surrounding it. I urge all Members to support it.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. KINGSTON). The question is on the motion offered by the gentleman from Florida [Mr. MICA] that the House suspend the rules and pass the bill, H.R. 2675, as amended.

The question was taken.

Mr. CUMMINGS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

#### GENERAL LEAVE

Mr. MICA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 2675, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

#### AMENDING FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949 TO AUTHORIZE TRANSFER TO STATE AND LOCAL GOVERNMENTS OF CERTAIN SURPLUS PROPERTY FOR USE FOR LAW ENFORCEMENT OR PUBLIC SAFETY PURPOSES

Mr. HORN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 404) to amend the Federal Property and Administrative Services Act of 1949 to authorize the transfer to State and local governments of certain surplus property for use for law enforcement or public safety purposes, as amended.

The Clerk read as follows:

H.R. 404

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. AUTHORITY TO TRANSFER CERTAIN SURPLUS PROPERTY FOR USE FOR LAW ENFORCEMENT OR FIRE AND RESCUE PURPOSES.

Section 203(p)(1) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(p)(1)) is amended—

(1) by inserting "that is" after "personal property"; and

(2) by inserting "or that is or was part of a military installation that has been closed or realigned pursuant to a base closure law and that is determined by the Attorney General to be needed for use by the transferee or grantee for a law enforcement or fire and rescue purpose approved by the Attorney General" before the first period.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. HORN] and the gentleman from Maryland [Mr. CUMMINGS] each will control 20 minutes.

The Chair recognizes the gentleman from California [Mr. HORN].

Mr. HORN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Speaker, the Federal Government owns an enormous amount of property, including some property that it no longer needs. H.R. 404 simplifies the process by which State and local

governments are permitted to receive surplus Federal property on military bases for the benefit of their law enforcement and fire and rescue functions.

In making this simplification, H.R. 404, authored by the gentleman from California [Mr. CALVERT], both contributes to important State and local government functions and eases an administrative burden on the Federal Government. In 1949, the Commission on Organization of the Executive Branch of the Government, known as the first Hoover commission, appointed by President Truman, recommended the creation of an agency, the General Services Administration, GSA, to coordinate purchases, utilization and disposal of real and personal property for the Federal Government.

The Federal Property and Administrative Services Act of 1949 set forth the rules for the disposal of surplus Federal real estate. Normally, when one agency no longer needs property, the General Services Administration screens the excess property to determine whether another Federal agency needs it. If not, the property is declared surplus.

The Federal Property Act created a series of public benefit discounts whereby local governments can obtain surplus Federal real estate for a price below market value, generally at no cost. The current categories of public benefit discounts for real property include public health, education, recreation, national service activities, historic monuments, correctional facilities, and shipping ports, only in the base closure facilities.

The bill before us creates a new public benefit discount by expanding the definition of public benefit discounts for "correctional facilities" to cover "other law enforcement" and "fire and rescue" activities.

On June 3, 1997, the Subcommittee on Government Management, Information and Technology, which I chair, held a hearing on H.R. 404. Officials from Riverside County, CA, testified that they wanted to place a coroner's office and a law enforcement and fire training academy on surplus Federal property at the March Air Force Base. That surplus property became available through the actions of the Defense Base Realignment and Closure Commission.

The county officials observed that to receive the land for these purposes, they would have to go through the application process with two Federal agencies, the Department of Education for the training academy and the Department of Health and Human Services for the coroner's office. With H.R. 404, the process would be consolidated. Both functions would fall under the expanded definition of correctional facilities and, therefore, would be handled by the Department of Justice.

On June 26, 1997, the Subcommittee on Government Management, Information and Technology marked up H.R.

404. The subcommittee considered an amendment in the nature of a substitute that made technical corrections to the bill as introduced and voted unanimously to forward the substitute version to the full Committee on Government Reform and Oversight.

The full committee voted unanimously to report H.R. 404 to the House on September 30. There was a minor amendment made to the bill after it was reported to the Committee on Government Reform and Oversight. This amendment limits the application of this authority to military facilities closed under the Base Realignment and Closure Act. The change was necessary in order to ensure that no Budget Act point of order lay against the bill.

The amendment will not substantially alter the effect of the bill because closed military bases constitute over 90 percent of surplus Federal real property.

In conclusion, Mr. Speaker, we should note that this bill is a step toward making the Federal Government more efficient in its own processes and also more responsive to local needs. I urge my colleagues to support it.

Mr. Speaker, I reserve the balance of my time.

Mr. CUMMINGS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I commend the gentleman from California [Mr. HORN] for bringing before the House this bill to amend the Federal Property and Administrative Services Act of 1949. The gentlewoman from New York [Mrs. MALONEY], the ranking Democrat on the Subcommittee on Government Management, Information and Technology, has been detained in her district and asked me to manage this bill, which I gladly do.

The Committee on Government Reform and Oversight has jurisdiction over the Federal Property Act. It has a long history of overseeing its proper implementation. Under the Federal Property Act, State and local governments may acquire real estate that the Federal Government no longer needs. The Federal Property Act currently allows such surplus Federal property to be transferred to State and local governments at discounts of up to 100 percent of fair market value for certain public benefit purposes.

Current public benefit discount uses include public health or educational uses, public parks or recreational areas, historic monuments, correctional institutions, port facilities, public airports and wildlife conservation.

The original version of H.R. 404 would have added to that list "law enforcement or public safety purposes." Legitimate concern was expressed at our hearing on this legislation over the vagueness of the phrase "public safety purposes." During our committee's consideration of the bill, this problem was corrected by submitting "fire fighting and rescue purposes" for "public safety purposes." We also deleted an unnecessary retroactive provision. I support both of these changes.